

training and blood testing strips. By helping improve Medicare coverage for Americans with diabetes, we can save untold human suffering and millions of health care dollars.

This legislation is identical to two bills we coauthored in the 104th Congress, H.R. 1073 and H.R. 1074, which were cosponsored by 250 Members of the House. Unfortunately, neither bill was passed before Congress adjourned for the year. Today, we are introducing this landmark diabetes legislation with over 65 original cosponsors and the support of virtually every major diabetes organization in America. In fact, statements of support from seven diabetes organizations will follow this statement. It was the efforts of these organizations which helped build the broad, grassroots support for H.R. 1073 and H.R. 1074 to 250 Members—a clear, bipartisan majority of the House.

Mr. Speaker, my colleagues, we can no longer wait to enact this important legislation. We must pass this bill as soon as possible to help improve the quality of life for the 16 million Americans who have diabetes. I was proud when, last July, every major diabetes organization in the United States came together in Washington for the Diabetes Call to Action! and stood on the steps of the Capitol imploring Congress to pass this legislation.

Another reason for passing this bill as soon as possible is that it saves money. The latest scoring by the Congressional Budget Office demonstrates that this bill will actually save \$223 million over 6 years. Improving coverage of outpatient self-management training and blood-testing strips will help reduce costly hospitalizations and complications that result from diabetes. In fact, one statistic last year cited that Congress will lose \$500,000 every day it waits to enact this bill.

For families that live with diabetes, the time for waiting is past; the time for enacting this law is now. My beautiful daughter, Amanda has diabetes. My colleague from Washington, Mr. NETHERCUTT, has a daughter with diabetes. We know first hand about this deadly disease and what it means to live with diabetes. I know that if we can help people with diabetes better manage their disease, we will save untold human suffering and the precious health care dollars that are used to treat it.

I ask all my colleagues to cosponsor this bill and urge leadership on both sides of the aisle to agree to schedule this bill for swift action on the House floor.

INTRODUCTION OF THE HOMEOWNERS RELIEF ACT OF 1997

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mrs. KELLY. Mr. Speaker, because the American people are looking to us for tax relief, I rise on the first day of the 105th Congress to reintroduce the Homeowners Relief Act of 1997. This initiative, which provides homeowners with relief from capital gains taxation when they sell their home, is identical to legislation that I introduced during their 104th Congress.

This legislation recognizes that a person's home is something more than a simple investment; it's a fundamental part of the American

dream, and our Tax Code should reflect this fact. An investment in a home is an investment in your community and in your future. Indeed, for many Americans, the equity built up after many years in a home represents a significant part of their retirement nest egg.

Owning a new home is the dream of young couples starting a new life together, of newly arrived immigrants eager to realize the American dream, and of all people working to build a better life for themselves and their children.

Homeownership is special, Mr. Speaker, and it should occupy a special place in the realm of public policy. The Homeowners Relief Act does just that—any gains from the sale of a principle residence would be exempt from capital gains taxation. Specifically, the bill excludes from taxation the gains from the sale of a principle residence if, during the 7-year period prior to the sale of the residence, the property was owned by the taxpayer and used as the taxpayer's principle residence for 5 or more years.

Current law provides some relief for homeowners, but it doesn't go far enough. Taxpayers may roll the gains from the sale of a home into a new home of equal or greater value, and older Americans can claim a one-time \$125,000 exclusion when they sell their principle residence. These exemptions shield some homeowners from capital gains liability, but certain circumstances force many to shoulder a significant capital gains tax bite when they sell their home. Increased home values put many taxpayers, particularly older Americans looking to retire, in the difficult situation of having to pay substantial capital gains taxes. In addition, at a time when corporate downsizing is all too common, often the most substantial asset held by laid-off workers is their home.

The problem is that current law may lock individuals into homes that they might wish to sell. Those individuals who can afford to purchase a more expensive home can postpone capital gains liability, while those who need to move to more modest accommodations, because their economic circumstances warrant doing so, must pay a tax.

Mr. Speaker, by passing this legislation, Congress will give homeowners needed relief from this inequity, and will put recognition in the Tax Code of the special status of the home. I urge my colleagues to join me in supporting the Homeowners Relief Act of 1997.

THE INTRODUCTION OF THE POSTAL REFORM ACT OF 1997

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. McHUGH. Mr. Speaker, today I am reintroducing legislation to reform the U.S. Postal Service. The Postal Reform Act of 1997 is substantially identical to H.R. 3717 which I introduced in the 104th Congress and continues to represent the first comprehensive reform effort involving the U.S. Postal Service since its formation in 1970.

When I introduced this measure in the previous Congress, I intended to make clear that this legislation represented the first step in a lengthy legislative process aimed at ensuring the future existence and financial viability of

the United States Postal Service. The legislation was the subject of four extensive hearings during the 104th Congress and I plan to continue the hearing process into this new year. This legislation, as introduced, is substantially identical to the former H.R. 3717 as considered during the previous Congress. Any differences between this measure and its predecessor reflect the legislative reform enacted into law at the close of last year's legislative session. I again emphasize that the reintroduction of this measure represents my commitment to facilitating the reform process with all areas of the legislation subject to review. Consequently, I encourage those with interests in the legislation to continue to engage the Subcommittee in a constructive manner as the legislative process continues.

During the 104th Congress the Subcommittee on the Postal Service, which I chair, conducted in-depth and lengthy hearings on the U.S. Postal Service and the issue of postal reform. During the oversight phase of our hearings we heard from more than 60 witnesses representing all facets of the postal community. Further, I had the opportunity to meet with a variety of individual postal customers, postal employees, and business leaders regarding these matters. I attempted to listen and absorb the comments and interests put forth on and off the record during those meetings and address them with the introduction of H.R. 3717 on June 25, 1996.

Continuing with the Subcommittee's desire to receive the full range of public comments we held four hearings last year specifically on H.R. 3717 and the issue of postal reform. Witnesses at these sessions ran the gamut from the Postmaster General; Chairman of the Postal Rate Commission; representatives of the direct mail and newspaper industries; private sector business partners; employee unions and associations, and for the first time, the Chief Executive Officers of the two largest private sector competitors of the USPS, Federal Express, and United Parcel Service.

One thing became clear as we conducted our oversight functions and met with interested parties: that 26 years after the establishment of the United States Postal Service, postal customers across the spectrum want to maintain a viable universal mail delivery system. To achieve this goal, Congress must revisit the legislative infrastructure of the Postal Service to assist it in meeting the changing market conditions and advances in communications technology.

Maintenance of a universal postal system must be the cornerstone of any postal reform measure. I strongly believe universal service at reasonable rates remains the primary mission of the U.S. Postal Service. However, shifting mail volumes and stagnant postal revenue growth require Congress to reexamine the statutory structure under which our current postal system now operates if we are to maintain this important public service mission.

During the conduct of our oversight hearings, the Subcommittee heard many witnesses describe means of communications that were not imaginable in 1970. At that time, who could have foreseen the explosion of personal computers, the Internet and facsimile machines in our everyday lives? There has been a steady erosion of what used to be personal correspondence, protected by the postal monopoly, moving through the U.S. Mail that now moves electronically or via carriage by a number of private urgent mail carriers.